

May 18, 2004

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EX PARTE – VIA ELECTRONIC FILING

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street SW Washington, D.C. 20554

Re: CC Docket No. 00-46; CC Docket No. 95-182

Notice of Oral and Written Ex Parte Presentation

Dear Ms. Dortch:

Yesterday, on May 17, 2004, I met with Gail Cohen, Bill Kehoe, Julie Saulnier, Deena Shetler, and Ann Stevens, of the Wireline Competition Bureau, to discuss on behalf of GCI issues raised in the referenced proceedings. Consistent with its prior filings in these proceedings, GCI stated that the Tariff 11 investigation must be activated and completed before any consideration of the AT&T and Alascom Petition to Eliminate Conditions is merited. The Commission will not be able to assess the tariff, rate, and structural issues raised by the Petition until this tariff investigation has been completed. The proceeding, pending since 1995, should proceed without further delay. Only upon completion of the investigation, whereby a legal rate baseline may be established, can the Commission and interested parties assess the relative merits of possible alternative rate development approaches, like the implementation of price capped rates.

Cost-based rates for common carrier service under Tariff 11 are the cornerstone of the Alaska Market Structure. If Alascom set just and reasonable rates for Tariff 11, and if it assessed the rates as required on its Tariff 11 customers (including AT&T) under the Alaska Market Structure, then it should be able to make the necessary investments in Alaska. This assessment apparently can only be made through an investigation. It has not otherwise been possible to determine whether Alascom has complied with these tariff requirements, because Alascom has consistently refused to provide the relevant data for review, even though Alascom and GCI have agreed upon a Protective Order, which was issued on July 10, 2003 (DA 03-2278). The Commission must therefore require the production of such data, in the context of the tariff investigation, before it can assess any of Alascom's proposed changes to the current market structure. Finally, GCI provided the attached schematic description of Tariff 11 rate elements and traffic flows

Ms. Marlene H. Dortch May 18, 2004 Page 2 of 2

In accordance with the Commission's rules, a copy of this letter and attachments are being filed in the referenced proceedings.

Sincerely,

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Tina M. Pidgeon Vice President, Federal Regulatory Affairs

cc: Gail Cohen
Bill Kehoe
Julie Saulnier
Deena Shetler
Ann Stevens
via electronic mail